

Project Investment Justification

Enterprise eLicensing

RG18001

Registrar of Contractors

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1. GENERAL INFORMATION

PIJ ID: RG18001

PIJ Name: Enterprise eLicensing

Account: Registrar of Contractors

Business Unit Requesting: IT

Sponsor: Sergio Gallegos

Sponsor Title: CIO

Sponsor Email: sergiog@azroc.gov

Sponsor Phone: (602) 771-6701

2. MEETING PRE-WORK

2.1 What is the operational issue or business need that the Agency is trying to solve? (i.e....current process is manual, which increases resource time/costs to the State/Agency, and leads to errors...):

The ROC is responsible for the licensing, compliance and consumer complaint resolution, including homeowner restitution from the agency's Recovery Fund, for over 40,000 Arizona contracting entities. These contractors include General, Mechanical, Electrical, Roofing, Swimming Pool, and other scopes totaling 106 different license classifications. Currently, the Registrar of Contractors' licensed entities and members of the public submit their requests to the ROC mainly via a paper submittal, either in person or through US mail. Contractors do have some added flexibility in the processing of their license renewals as the current system does allow for online renewals, however that is the extent of online interaction available on the current system. Outside of the online renewal capabilities, the ROC system lacks web-enabled interfaces for the general public and the agency's licensed entities to provide self service capabilities. This inconvenience for the licensees and general public is also a significant inefficiency for ROC staff as most all inquiries and transactions require manual intervention. A new, modern computer system will help streamline Agency processes and productivity while providing better and faster service to the public and regulated industries. The current application, ROCIMS, in use by the ROC was adopted at the request of GITA as part of a statewide effort to find a one stop licensing solution for all state of Arizona licensing agencies. After over 5 years of use, we've found that the application does not have the flexibility to allow the agency to fully automate some of its processes. Even if the ROC were to develop external application to help automate processes and give our contractors and the public another avenue for electronic interaction with the agency, the ROCIMS system does not have the ability to incorporate any of the data collected from an external source. Those updates have to be entered via the existing system interface which requires manual data entry. Additionally, due to the way that the contract was written between the State of Arizona (GITA), the ROC and NIC (the state's previous web portal vendor), the agency paid NIC upfront for application support services through August of 2015. That prepaid support included the ability to get assistance from the actual software provider (CAVU, now Iron Data Services) from whom NIC had subcontracted the licensing/case management software from. The original contract did stipulate that if NIC were to leave, GITA would pick up the support and maintenance of the application. As an application hosted on the state's web portal, there has been some support from AZDOA through the new portal support vendor, Business and Decision (B&D), in insuring that the hardware is functional. Although not B&D's fault, as they need support from CAVU/IDS to do a transition to newer servers, our production server is still running on a MS server 2003 OS, which earlier this year became unsupported, expediting the need to migrate off of our current environment. The software itself has been out of support since March of 2014, when NIC formally left the State as it's web portal vendor. Even when NIC was involved, there were some concerns with the level of support that CAVU/IDS had been providing to our software application. After the exit of NIC, IDS requested the direct contracting of a support agreement between ROC and IDS at the tune of close to \$40,000.00/year. Having received questionable service from IDS even when NIC was involved, and also due to the fact that the agency had already paid for that support through august of 2015 through the original contract, the ROC was hesitant to renew the support agreement with CAVU/IDS. This has left the agency in software limbo and is forcing us to look for a quick exit from this unsupported software.

2.2 How will solving this issue or addressing this need benefit the State or the Agency?

The new licensing system will provide those constituents with an online one-stop-shop for their professional licensing needs and will eliminate the requirement for ROC personnel to manually input license application, renewal and maintenance information into the current computer system, resulting in as of yet undetermined agency cost savings. License maintenance functionality includes the ability of licensed entities to auto update their addresses, personnel, bond information and other such items, thus reducing the costs and time associated with researching returned mail. The proposed system will provide faster turnaround times for the processing of contractor license applications, license maintenance requests and license renewals. It should also improve application accuracy and faster backend processing within ROC offices. Additionally, applications will become easier to update as changes are needed. The speed and convenience with which license applications and renewals will be processed also benefits the contractor licensees themselves with features such as license application processing status updates and electronic renewal notices. Each of the license types regulated by ROC will become Web-enabled through this system, effectively upgrading all constituent facing services. The system will also provide an online reporting utility for consumers and licensees thus expediting status inquiries from the public. The new system will also provide enhanced transparency for the general public by allowing real-time lookup of licensee status, prior disciplinary actions, etc. In addition, the new system will also provide the general public with a way to report contracting issues electronically to the ROC, a process which up until now has been strictly paper driven. As far as risk avoidance is concerned, the agency is considering procuring this new application under the Software as a Service (SaaS) model. This would mean that the application would reside on the vendor environment making the vendor responsible for all hardware maintenance functions (patches, updates, hardware and OS licensing, etc....). In addition, our contract would request SLAs that would make system redundancy and disaster recovery a must of any new system that is procured.

2.3 Describe the proposed solution to this business need.

Last year, ADOA-ASET issued an RFP for an Enterprise eLicensing platform, that could serve as the platform for as many of the 90/10's and licensing Agencies as possible. The RFP responses were evaluated by a Steering Committee made up of varied stakeholders, and ultimately Deloitte was selected to implement the solution, built upon a Salesforce / BasicGov platform. Currently, the first 13 Boards and Commissions are selected and the system is being built. The Registrar of Contractors would also like to join this enterprise solution.

2.4 Has the existing technology environment, into which the proposed solution will be implemented, been documented?

Yes

2.4a Please describe the existing technology environment into which the proposed solution will be implemented.

2.5 Have the business requirements been gathered, along with any technology requirements that have been identified?

Yes

2.5a Please explain below why the requirements are not available.

3. PRE-PIJ/ASSESSMENT

3.1 Are you submitting this as a Pre-PIJ in order to issue a Request for Proposal (RFP) to evaluate options and select a solution that meets the project requirements?

No

3.1a Is the final Statement of Work (SOW) for the RFP available for review?

3.2 Will you be completing an assessment/Pilot/RFP phase, i.e. an evaluation by a vendor, 3rd party or your agency, of the current state, needs, & desired future state, in order to determine the cost, effort, approach and/or feasibility of a project?

No

3.2a Describe the reason for completing the assessment/pilot/RFP and the expected deliverables.

3.2b Provide the estimated cost, if any, to conduct the assessment phase and/or Pilot and/or RFP/solicitation process.

3.2e Based on research to date, provide a high-level cost estimate to implement the final solution.

4. PROJECT

4.1 Does your agency have a formal project methodology in place?

Yes

4.2 Describe the high level makeup and roles/responsibilities of the Agency, Vendor(s) and other third parties (i.e. agency will do...vendor will do...third party will do).

ROC - Responsible for Business Requirements and input.

ASET - Project Management

Vendor (Deloitte) - Implementation of Statewide Enterprise eLicensing application utilizing Salesforce / BasicGov platform.

4.3 Will a PM be assigned to manage the project, regardless of whether internal or vendor provided?

Yes

4.3a If the PM is credentialed, e.g., PMP, CPM, State certification etc., please provide certification information.

4.4 Is the proposed procurement the result of an RFP solicitation process?

Yes

4.5 Is this project referenced in your agency's Strategic IT Plan?

Yes

5. SCHEDULE

5.1 Is a project plan available that reflects the estimated Start Date and End Date of the project, and the supporting Milestones of the project?

Yes

5.2 Provide an estimated start and finish date for implementing the proposed solution.

Est. Implementation Start Date

Est. Implementation End Date

10/2/2017 12:00:00 AM

12/31/2017 12:00:00 AM

5.3 How were the start and end dates determined?

Based on project plan

5.3a List the expected high level project tasks/milestones of the project, e.g., acquire new web server, develop software interfaces, deploy new application, production go live, and estimate start/finish dates for each, if known.

Milestone / Task	Estimated Start Date	Estimated Finish Date
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5.4 Have steps needed to roll-out to all impacted parties been incorporated, e.g. communications, planned outages, deployment plan?

Yes

5.5 Will any physical infrastructure improvements be required prior to the implementation of the proposed solution. e.g., building reconstruction, cabling, etc.?

No

5.5a Does the PIJ include the facilities costs associated with construction?

5.5b Does the project plan reflect the timeline associated with completing the construction?

6. IMPACT

6.1 Are there any known resource availability conflicts that could impact the project?

No

6.1a Have the identified conflicts been taken into account in the project plan?

6.2 Does your schedule have dependencies on any other projects or procurements?

No

6.2a Please identify the projects or procurements.

6.3 Will the implementation involve major end user view or functionality changes?

Yes

6.4 Will the proposed solution result in a change to a public-facing application or system?

Yes

7. BUDGET

7.1 Is a detailed project budget reflecting all of the up-front/startup costs to implement the project available, e.g, hardware, initial software licenses, training, taxes, P&OS, etc.?

Yes

7.2 Have the ongoing support costs for sustaining the proposed solution over a 5-year lifecycle, once the project is complete, been determined, e.g., ongoing vendor hosting costs, annual maintenance and support not acquired upfront, etc.?

Yes

7.3 Have all required funding sources for the project and ongoing support costs been identified?

Yes

7.4 Will the funding for this project expire on a specific date, regardless of project timelines?

No

7.5 Will the funding allocated for this project include any contingency, in the event of cost over-runs or potential changes in scope?

No

8. TECHNOLOGY

8.1 Please indicate whether a statewide enterprise solution will be used or select the primary reason for not choosing an enterprise solution.

The project is using a statewide enterprise solution

8.2 Will the technology and all required services be acquired off existing State contract(s)?

Yes

8.3 Will any software be acquired through the current State value-added reseller contract?

Yes

8.3a Describe how the software was selected below:

The SaaS solution that was chosen, Salesforce / BasicGov, in this case implemented by Deloitte, was the result of an RFP and then Evaluation Committee review and assessment of potential solutions.

8.4 Does the project involve technology that is new and/or unfamiliar to your agency, e.g., software tool never used before, virtualized server environment?

Yes

8.5 Does your agency have experience with the vendor (if known)?

No

8.6 Does the vendor (if known) have professional experience with similar projects?

Yes

8.7 Does the project involve any coordination across multiple vendors?

No

8.8 Does this project require multiple system interfaces, e.g., APIs, data exchange with other external application systems/agencies or other internal systems/divisions?

Yes

8.9 Have any compatibility issues been identified between the proposed solution and the existing environment, e.g., upgrade to server needed before new COTS solution can be installed?

No

8.9a Describe below the issues that were identified and how they have been/will be resolved, or whether an ADOA-ASET representative should contact you.

8.10 Will a migration/conversion step be required, i.e., data extract, transformation and load?

Yes

8.11 Is this replacing an existing solution?

Yes

8.11a Indicate below when the solution being replaced was originally acquired.

CAVU/Iron Data's e-licensing solution was procured 2007-2008 with an implementation approx. March 2010.

8.11b Describe the planned disposition of the existing technology below, e.g., surplus, retired, used as backup, used for another purpose:

Initially repository for archived records & back up. Eventually surplus.

8.12 Describe how the agency determined the quantities reflected in the PIJ, e.g., number of hours of P&OS, disk capacity required, number of licenses, etc. for the proposed solution?

As this is a SaaS solution, the licensing is determined by the number of users, which is equivalent to FTE's in the Agency. Implementation costs were determined by working with Deloitte to scope and size the effort, with oversight provided by ASET.

8.13 Does the proposed solution and associated costs reflect any assumptions regarding projected growth, e.g., more users over time, increases in the amount of data to be stored over 5 years?

Yes

8.14 Does the proposed solution and associated costs include failover and disaster recovery contingencies?

Yes

8.14a Please select why failover and disaster recovery is not included in the proposed solution.

8.15 Will the vendor need to configure the proposed solution for use by your agency?

Yes

8.15a Are the costs associated with that configuration included in the PIJ financials?

Yes

8.16 Will any app dev or customization of the proposed solution be required for the agency to use the project in the current/planned tech environment, e.g. a COTS app that will req custom programming, an agency app that will be entirely custom developed?

No

8.16a Will the customizations inhibit the ability to implement regular product updates, or to move to future versions?

8.16b Describe who will be customizing the solution below:

8.16c Do the resources that will be customizing the application have experience with the technology platform being used, e.g., .NET, Java, Drupal?

8.16d Please select the application development methodology that will be used:

8.16e Provide an estimate of the amount of customized development required, e.g., 25% for a COTS application, 100% for pure custom development, and describe how that estimate was determined below:

8.16f Are any/all Professional & Outside Services costs associated with the customized development included in the PIJ financials?

8.17 Have you determined that this project is in compliance with all applicable statutes, regulations, policies, standards & procedures, incl. those for network, security, platform, software/application &/or data/info found at aset.az.gov/resources/psp?

Yes

8.17a Describe below the compliance issues that were identified and how they have been/will be resolved, or whether an ADOA-ASET representative should contact you:

8.18 Are there other high risk project issues that have not been identified as part of this PIJ?

No

8.18a Please explain all unidentified high risk project issues below:

9. SECURITY

9.1 Will the proposed solution be vendor-hosted?

Yes

9.1a Please select from the following vendor-hosted options:

Commercial data center environment, e.g AWS, Azure

9.1b Describe the rationale for selecting the vendor-hosted option below:

SalesForce is a best in-class SaaS solution and has the expertise needed to keep the platform secure, updated, and has built-in failover and disaster recovery natively.

9.1c Has the agency been able to confirm the long-term viability of the vendor hosted environment?

Yes

9.1d Has the agency addressed contract termination contingencies, e.g., solution ownership, data ownership, application portability, migration plans upon contract/support termination?

Yes

9.1e Has a Conceptual Design/Network Diagram been provided and reviewed by ASET-SPR?

No

9.1f Has the spreadsheet located at <https://aset.az.gov/arizona-baseline-security-controls-excel> already been completed by the vendor and approved by ASET-SPR?

Yes

9.2 Will the proposed solution be hosted on-premise in a state agency?

No

9.2a Where will the on-premise solution be located:

9.2b Were vendor-hosted options available and reviewed?

9.2c Describe the rationale for selecting an on-premise option below:

9.2d Will any data be transmitted into or out of the agency's on-premise environment or the State Data Center?

9.3 Will any PII, PHI, CGIS, or other Protected Information as defined in the 8110 Statewide Data Classification Policy be transmitted, stored, or processed with this project?

Yes

9.3a Describe below what security infrastructure/controls are/will be put in place to safeguard this data:

Security is handled by Salesforce, with controlled access to their datacenters and platforms. Additionally, the Salesforce platform has already been vetted by the SPR team in a previous Phase of this project.

10. AREAS OF IMPACT

Application Systems

Database Systems

Software

COTS Application Acquisition

Hardware

Hosted Solution (Cloud Implementation)

Vendor Hosted

Security

Telecommunications

Enterprise Solutions

eLicensing

11. FINANCIALS

Description	PIJ Category	Cost Type	Fiscal Year Spend	Quantity	Unit Cost	Extended Cost	Tax Rate	Tax	Total Cost
Development and Implementation Fee - Deloitte	Professional & Outside Services	Development	1	1	\$240,000	\$240,000	0.00 %	\$0	\$240,000
Licensing - Salesforce / BasicGov - Year 1	License & Maintenance Fees	Development	1	1	\$81,088	\$81,088	860.00 %	\$6,974	\$88,061
Licensing - Salesforce / BasicGov - Year 2	License & Maintenance Fees	Operational	2	1	\$81,088	\$81,088	860.00 %	\$6,974	\$88,061
Licensing - Salesforce / BasicGov - Year 3	License & Maintenance Fees	Operational	3	1	\$81,088	\$81,088	860.00 %	\$6,974	\$88,061
Licensing - Salesforce / BasicGov - Year 4	License & Maintenance Fees	Operational	4	1	\$81,088	\$81,088	860.00 %	\$6,974	\$88,061
Licensing - Salesforce / BasicGov - Year 5	License & Maintenance Fees	Operational	5	1	\$81,088	\$81,088	860.00 %	\$6,974	\$88,061

Base Budget (Available)	Base Budget (To Be Req)	Base Budget % of Project
\$328,061	\$352,244	100%
APF (Available)	APF (To Be Req)	APF % of Project
\$0	\$0	0%
Other Appropriated (Available)	Other Appropriated (To Be Req)	Other Appropriated % of Project
\$0	\$0	0%
Federal (Available)	Federal (To Be Req)	Federal % of Project
\$0	\$0	0%
Other Non-Appropriated (Available)	Other Non-Appropriated (To Be Req)	Other Non-Appropriated % of Project
\$0	\$0	0%

Total Budget Available	Total Development Cost
\$328,061	\$328,061
Total Budget To Be Req	Total Operational Cost
\$352,244	\$352,244
Total Budget	Total Cost
\$680,305	\$680,305

12. PROJECT SUCCESS

Please specify what performance indicator(s) will be referenced in determining the success of the proposed project (e.g. increased productivity, improved customer service, etc.)? (A minimum of one performance indicator must be specified)

Please provide the performance objective as a quantifiable metric for each performance indicator specified.

Note: The performance objective should provide the current performance level, the performance goal, and the time period within which that performance goal is intended to be achieved. You should have an auditable means to measure and take corrective action to address any deviations.

Example: Within 6 months of project completion, the agency would hope to increase "Neighborhood Beautification" program registration by 20% (3,986 registrants) from the current registration count of 19,930 active participants.

Performance Indicators

The Registrar of Contractors does currently offer online licensing, however the software application used to deliver the service is hosted in the State Datacenter, and is no longer supported by the vendor. The biggest indicator of success for this project is moving to the Enterprise eLicensing system, and decommissioning the old, ASET hosted system.

13. CONDITIONS

Conditions for Approval

14. ENGAGEMENT MANAGER COMMENTS

Project Background

The Arizona Registrar of Contractors is seeking to onboard to the new statewide Enterprise eLicensing platform, built by Deloitte on top of the Salesforce platform. The Registrar of Contractors does currently offer online services, but it is hosted on-premise in the State Data Center, on outdated software that is no longer supported by the vendor, and is difficult to manage and maintain. Moving to the new Statewide solution will be more secure and allow for greater flexibility, as well as a more uniform experience for citizens.

Business Justification

The Registrar of Contractors was previously quoted over \$700,000 per year to develop and onboard to an alternate eLicensing application, but by onboarding to the Enterprise eLicensing contract the ROC is able to achieve savings from economies of scale and State buying power.

Implementation Plan

The integrator, Deloitte, is responsible for delivering the solution in a format and timeline that works for ROC, and has provided a Scope of Work that describes and documents what will be achieved. Additionally, this project is run by the ADOA-ASET Project Management Office, so there is additional guidance and oversight coming from the ASET PMO.

Vendor Selection

ROC is simply joining an existing Statewide Enterprise contract, so the vendor was previously determined to meet the needs of the State and went through an RFP process, and was chosen as the result of an Evaluation Committee process to select a vendor.

Budget or Funding Considerations

None to consider.

15. PIJ REVIEW CHECKLIST

Agency Project Sponsor

Sergio Gallegos

Agency CIO (or Designee)

Sergio Gallegos

Agency ISO (or designee)

Sergio Gallegos

OSP Representative

ASET Engagement Manager

David Tischler

ASET SPR Representative

Owen Zorge

Agency SPO Representative

Agency CFO

Jeff Fleetham
